

Virginia Workforce Council
Holiday Inn University Area and Conference Center
Charlottesville, Virginia
June 12, 2002
2:30 p.m.
Minutes

I. Call to Order.

Chair Michael A. Daniels called the meeting to order at 2:30 p.m. The public comment period to come later was announced.

II. Members Present

Michael Alan Daniels, Chair
Ann Armstrong
Cordell Briggs
Thick Sang Chin
Lori Conen
Marjorie M. Connelly
G. Trigg Copenhaver
Ben J. Davenport, Jr.
Dr. Glenn DuBois
Dolores A. Esser
C. Michael Ferraro
George E. Hunnicutt, Jr.
Aisha S. Johnson
Hugh D. Keogh
Mark R. Kilduff
Robert B. Lambeth, Jr.
Daniel G. LeBlanc

Charlie H. Mills III
Patricia S. O'Bannon
Phyllis Palmiero
Allen M. Phibbs
Michael J. Schewel
Richard L. Settle
Mark Singer
James H. Underwood
Belle S. Wheelan
Jane Woods

III. Approval of the Minutes

The minutes of the March 20, 2002 meeting were approved.

IV. Department of Business Assistance (DBA) Web Site Presentation - Charlie Mills III, Director, DBA

The presentation focused on a new feature on the DBA web site, i.e., the Business Launch Pad. This new feature makes it easier for businesses to access DBA's vast resources and programs. Assistance is provided on such things as starting a business, developing a business plan, business expansion, obtaining capital, licensing, taxes, state and federal regulations, etc. This is the first phase. Eventually the site will have e-commerce capabilities. The site is also available for Council communications to businesses.

V. Nurse Shortage Appropriations Act Study - Jackie Hudson

The Virginia Employment Commission is preparing a funding plan to train nurses in order to address the shortage of training nurses in Virginia. The mandate for the study by the Virginia Workforce Council is in the 2002 Appropriations Act. The report is due to the General Assembly on September 1, 2002. The median age for nurses is 45 and with declining enrollment in nursing programs over the past five years, the shrinking pool of new workers to replace those leaving or retiring is expected to be more serious.

Issues related to recruitment, retention of nurses, and the concerns about their future supply will be studied. Previous national and state studies have drawn similar conclusions about nurses' decreased levels of job satisfaction such as, better salaries in other work, more convenient hours in other work, the physical difficulty in nursing, and other types of work that are more fulfilling. Ms. Hudson gave examples of national and local funding sources and long-term approaches to filling gaps in the nursing ranks. Council members were invited to contact Ms. Hudson with any additional information or resources.

VI. Local Workforce Investment Act (WIA) Implementation and Funding Report - Dolores Esser

A status report on local workforce investment areas through March 31, 2002 was distributed. The report includes: a summation of the WIA; charts showing the significant increase in participant levels between 2000 and 2001; and a snap shot of participant activity in the first year of operation and through March 31, 2002 for all seventeen WIBs for adults, dislocated workers, and youth

Additionally, the report provided information for each local Workforce Investment Board (WIB) for the year 2000 and the year 2001. The data includes funding allocation levels for WIA Title I adult, dislocated, and youth programs and expenditures through March 31, 2002. Where there are zero expenditures, the WIBs have not drawn down money from the state yet.

Information is also included for the Education for Independence Program (EFI). Although the first year appropriation was \$2.4 million, the program had \$1.5 million of unexpended funds from Social Services, resulting in the WIA funding level of \$900,000 dollars. In the second year the Appropriations Act did not provide a specific amount and a funding level of \$1.6 million was negotiated for the EIP program.

A motion was made to request that an annual WIB report be provided to the Council regarding the WIA allocations and expenditures to include the amount spent on training and the kinds of training provided. Since federal reporting guidelines do not require that the WIBs report according to training category, the Council is requesting that the WIBs provide this information to the VEC.

The motion was seconded and carried unanimously.

VII. Strategic Goals - Chair Daniels

Chair Daniels thanked the Council members for participating in the annual Strategic Planning Session. He explained that the Council developed seven goals for 2002-2005. Gail Robinson presented the goals.

1. A cabinet-level or other senior level position will be created to address the existing and emerging workforce, provide marketing, foster local business partnering and promote the coordination and cooperation of workforce development among all State and local stakeholders.
2. Programs, to include an incumbent worker program at the state level, will be established to provide more focus on retaining and growing existing businesses and the workforce.
3. Roles and responsibilities of key workforce development players will be identified, and a structure and process will be established to coordinate efforts and measure and analyze performance.
4. A statewide program to recover out-of-school youth (ages 16-25) will be established by encouraging community colleges and other training providers (i.e., faith-based organizations, technical centers, etc.) to design pilot programs for targeted, pre-selected areas.
5. The Governor will provide executive leadership in directing efforts to distressed areas through either executive orders or legislation that converts Council policy into actual practice.
6. A transferable and transportable skills credential will be developed that can both identify qualified employees and be used in career planning at all levels. A supporting infrastructure that is responsive, and that incorporates team and leadership skills will also be established.
7. Workforce Council governance as relates to authorities and responsibilities will be clearly defined.

A motion to adopt the seven goals for the Council for the period 2002-2005 was made, seconded and unanimously approved.

VIII. Job Ready and Emerging Workforce Committee Report - Hugh Keogh, Chair

The first item is related to the Committee's consideration of options regarding the subsequent eligibility process for WIA training providers. Training providers must be certified by the state in order for customers to use WIA training vouchers at their institutions. The committee decided not to recommend a waiver of subsequent eligibility for Virginia and Willie Blanton was asked to provide background information.

Mr. Blanton reported that the federal Department of Labor had solicited states about opportunities for waivers of training provider certification. In some instances data was not available for certain requirements for certification and DOL was willing to consider the potential for waivers.

The committee determined that the standard had been set in policy; the expectations had been created from the beginning and that is the course the Committee wishes to maintain.

The second item is a draft Existing Workforce Strategy Policy. The policy creates a framework for an incumbent worker program and layoff aversion services using WIA statewide funds. Staff will continue to work on the policy consulting with DBA and the Virginia Economic Partnership on the program approach to address identified needs, criteria and priorities. Committee members had raised questions about the availability of WIA funding for the policy and staff were asked to prepare the WIA statewide budget information for the Council and committee.

IX WIA 10% Statewide Budget – Dolores Esser

Ms. Esser provided a handout on the PY 2002 preliminary statewide budget, which totaled \$7.1 million including carry-in from prior years. The budget item for signs refers to signs for the Virginia Workforce Network Centers and affiliate locations. The idea is to depart from previous practice where little flexibility was provided for local signage. This is an opportunity to provide money to the local WIBs to have local signage and also a unified identifier across the state. There was a large contract for marketing, which has been rescinded. However, once the signs are in place there should be some marketing to the public and the employers of the Virginia Workforce Network and system. That explains the \$200,000 budget item for marketing. The capacity building and technical assistance budget item is mandatory in order assist the WIBs, the directors and the one-stop operators. And, we expect to implement a tremendous capacity building effort for the system next year, which is overdue.

Concern was expressed about the funding for the Education for Independence Program (EFI) and an extensive discussion followed. Major issues were:

1. Secretary Schewel made a motion to reduce funding for EFI from \$1.6 million to \$1.2 million dollars with the \$400,000 difference to be used to fund the Council's adopted goals.
2. The current language in the Appropriations Act stipulates that the EFI Program and the Skills Centers would be funded through the local one stop centers and that the VEC would work with these providers to assist in their certification. The goal of that language, which was put in by Secretary Schewel's request, is to move EFI away from WIA statewide funds and allow WIBs to fund the programs. It's not about the merits of the EFI programs, but more about the importance of the Council gaining as much control of the 10% statewide funds in order to implement statewide programs. The Council just adopted goals, which need funding. The way the 10% funds are currently used limits the Council's flexibility and authority to use these funds.
3. Dr. DuBois spoke in support of the EFI Program, which has a high graduation rate. The Department of Education and the Community College System administer the EFI Program.

More information on fund reduction impact and program results is needed before the Council acts on Secretary Schewel's motion. Additionally, the fiscal year starts July 1 and programs are expecting the funds as budgeted.

EFI serves over 2,000 single parents, mostly women. Employees in both agencies will also be affected.

4. Secretary Wheelan suggested a compromise level for EFI funding level of \$1 million until the next meeting at which time the Council would have reviewed relevant information on the program.
5. Mr. Singer offered a substitute motion to fund the EFI Program at \$1.6 for this year, which affords a transition period, and take time to assess the 10% funded programs, i.e., the EFI and skills centers, and provide sufficient lead time on the Council's funding decisions about the programs. There was a motion to accept the substitute motion, it was seconded and passed unanimously.

Chair Daniels directed that either Mr. Keogh's Committee or another appropriate Committee collect all the facts and information on the EFI and Skills Centers' program and report at the October Council meeting. The Committee's assessment should be sent to Council members in advance of the October meeting.

Mr. Lambeth requested additional information on the personal services budget item, i.e., the number of positions and a general description of the functions of the employees.

Ms. Esser concluded the budget report by indicating that the WIA 10% statewide funds will be presented to the Council for decision making, which is a departure from the Council's first two years of operation.

X. Public Comment - Chair Daniels

Alicia Lugo, Director of EFI TeenSight, spoke about the program, which is one of the 41 EFI programs around the state that have been in existence since 1985. These programs have served over 55,000 thousand women and pregnant teenagers, moving them into the workforce as productive taxpayers. She thanked the Council for not ending the program and requested the opportunity to provide information and data to the Committee, which will assess the EFI Program. Ms. Lugo's program is the only private non-profit community based organization that has an EFI grant in the state.

XI. Workforce Training Access Program and Fund Status Report - Myrt Fultz

Ms. Fultz reported progress in several areas. The local WIB directors were given an overview of the workforce training access program and fund. In terms of course certifications the WIB directors have been asked to identify courses that are currently certified by their local boards that address the technology needs of their community, businesses, and industries.

They were asked to provide a list of those needs that were not currently addressed by courses so solutions can be found.

The Community Colleges has assisted and a workgroup for credentialing of industry and trade courses and certifications is investigating various areas, courses and certifications to identify what needs might be met by different technology needs in different areas. Once the RFP is issued and a student loan association has been selected, the processes and procedures will be developed and training provided to all the local WIBs. The goal is to implement the program in the fall.

XII. Local Elected Officials/Workforce Investment Boards Briefing Summary Council Issues - Gail Robinson

Ms. Robinson provided a report on the various needs and expectations that local elected officials and WIB members expressed pertaining to the Virginia Workforce Council at the seven briefing sessions that were held around the state in March and April of this year. The Council members will review this report and it will be included on the agenda at the next Council Meeting.

XIII. Committee Changes - Revisions to Articles of Organization - Gail Robinson

Ms. Robinson addressed the changes in the committee structure. The recommendations are from staff of Community Colleges and the VEC who were directed by the Chair to look at structurally how the Council's needs might be better accommodated. The Executive Committee was not changed. It was the functional committees that changed.

Ms. Armstrong proposed two changes in the revised committee structure. She suggested that CIT staffing support be moved to the Workforce and Economic Development Committee; and that the fourth bullet under Career Training and Education Committee, i.e., the centralized information source, also be moved to the Workforce and Economic Development Committee.

A motion to accept the committee structure changes as amended and the revision to the Articles of Organization of the Council was made, seconded and approved.

Concern was raised about the responsible Committee for the 10% WIA statewide funds. The Chair indicated that the Committee Request Form that members will be sent will include an opportunity for members to express their thoughts on the WIA 10% budget assignment. The Chair will decide on the budget after receiving feedback from the members.

XIV. Commending Resolutions - Gail Robinson

Ms. Robinson explained that at the last meeting Mr. Stevenson Walker, a former Council member, recommended that the Council approve a resolution commending Dave Dickson the former director of the Department of Business Assistance for his contributions to the Council. The Chair also suggested that the Council consider three more former members who have made considerable contributions to this Council. They were: Faye Palmer for her work in developing the memorandum of understanding between the Virginia Employment Commission and the Department of Social Services; Ed Hamm who was a former Vice President of the Council for his business acumen and leadership; and Eugene Dillon from Volvo Truck in Southwest Virginia for the tremendous amount of time he put in over the last two years with the Continuous Improvement and Evaluation Committee in working on the allocations. Each of these individuals was awarded a certificate of recognition signed by the Governor, which will be sent to them.

XV. Administrative Update - Delores Esser

Ms. Esser reported on recaptured funds. The 2002 General Assembly had approved language in the Appropriations Act to direct recaptured WIA funds back to the localities from where they were recaptured to be used for high priority education programs. The U. S. Department of Labor's response and a ruling from the Attorney General's office indicated that this was not permissible under the WIA.

The local WIB directors were surveyed to determine their preference for use of recaptured funds. The top choices were: first - a tie between incumbent worker training and returning unexpended funds to areas, which had spent all of their money; second - layoff aversion assistance; and third - provide money to the Virginia Community Colleges for statewide training.

There was a discussion about the recaptured funds. There are time restraints for spending the funds. Ms. Palmiero asked what amount of local unexpended funds was expected and who has discretion in deciding how this money is spent. Ms. Esser stated that the estimate was \$2-4 million and the Governor has the discretion.

A motion was made and seconded to recommend to the Governor that the pending recaptured funds be used to address the 2002-2005 goals that were approved earlier in the meeting by the Workforce Council. The motion passed.

XVI. FY 2003 Meeting Schedule and Adjourn - Chair Daniels

The Council's meeting schedule for the next fiscal year is October 1, 2002 in Richmond; December 5, 2002 in Virginia Beach; March 27, 2003 in Richmond; and June 4 – 5, 2003 in Northern Virginia. The June dates include a strategic planning session before the business meeting of the Council. These dates are posted on the web site and detailed information will be sent closer to the meeting dates. Chair Daniels adjourned the meeting at 4:45 pm.